

AUG 2 1954

MEMORANDUM FOR: Acting Deputy Director (Administration) 5-8675

SUBJECT : Request for Authority to Make Additional Advance Payment
Under Contract No. RD-57 [REDACTED]

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1. Reference is made to similar memoranda dated 3 August 1953, 20 December 1953, and one undated with attached findings signed by Acting Deputy Director (Administration) approving advances totaling \$35,000.00 to subject Contractor.

2. This Contractor is the only knowledgeable person who can successfully accomplish the desired results. The Contractor's operating capital has been expended in the interest of the Government and all work being performed is for this Agency. The estimated cost of Task Order No. 1 is \$39,500.00 for a period of seventeen months.

3. The work being performed under Task Order No. 1 is classified as "Top Secret".

4. It was originally anticipated that after expenditure of the previous advanced payments, monthly reimbursement of Contractor's vouchers would provide sufficient funds for completion of the work. Monthly costs incurred are being credited against the advance payments. A recent conversation with Chief, Applied Physics Division/TSS indicated that no additional periodic advances would be required prior to completion of the work.

5. The Contractor has again requested, with the Chief, Applied Physics Division/TSS concurring, that an additional advance payment in the amount of \$12,000.00 be made to assist the contractor in meeting his continuing financial obligations which result from his performing the desired research and development.

6. In accordance with the provisions of Part IV, Section E, Paragraph C, of Central Intelligence Agency Regulation [REDACTED] authority is requested to make an additional advance payment of \$12,000.00 to [REDACTED] for the performance of Task Order No. 1 for a total not to exceed \$45,000.00 from covert funds encumbered in the 1953 Fiscal Year. Approval of the enclosed findings and determinations will authorize such advance payment.

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7. The additional advance payment will be deposited in a special bank account by the Contractor and all expenditures made therefrom shall be subject to audit approval by the Agency.

1 Enclosure:
Findings and Determination

JAMES A. GARRISON
Chief of Logistics

CONCUR:

[REDACTED]
Research Director, TSS

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Assistant General Counsel

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